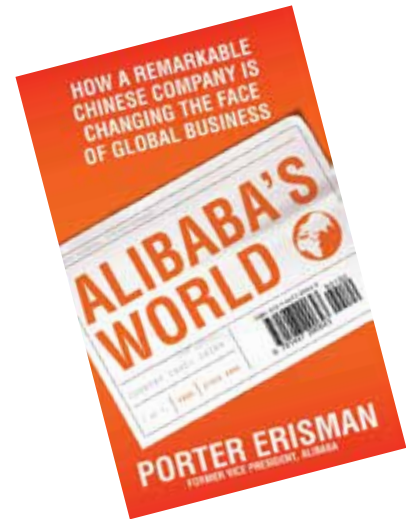


Alibaba's World: How a Remarkable Chinese Company is Changing the Face of Global Business



Alibaba Group Holding Limited is a Chinese e-commerce company that provides consumer-to-consumer (C2C), business-to-consumer (B2C) and business-to-business (B2B) sales services via web portals. It also provides electronic payment services, a shopping search engine and data-centric cloud computing services. The group began in 1999 when Jack Ma founded the website Alibaba.com, a business-to-business portal to connect Chinese manufacturers with overseas buyers. Suppliers from other countries are supported but have to pass through very strict inspections than for Chinese companies. The company primarily operates in the People's Republic of China (PRC). On 19 September 2014, the day of its Initial Public Offer, Alibaba's market value was US\$231 billion. Alibaba's consumer-to-consumer portal Taobao is similar to eBay.com, features nearly a billion products and is one of the 20 most-visited websites globally. Alipay, an online payment escrow service, accounts for roughly half of all online payment transactions within China. In India Alibaba owns 40% in Paytm and less than 5 % in Snapdeal, moreover the company is in talks with logistics companies like Delhivery.com and Xpressbees Logistics of late.

The book is authored by Porter Erisman, former Vice President of Alibaba from 2000-2008 leading the company's international website operations, international marketing, and corporate affairs as one of the company's first American employees. He is the writer/director of "Crocodile in the Yangtze", an award-winning documentary about the rise of Alibaba and its famous founder, Jack Ma. He is a real insider, and describes in myriad detail the rise of Alibaba from a struggling start-up to a behemoth. Erisman was in a position to see the struggles Alibaba had with misguided western advisers mostly consultants, patronizing western companies and governments, and the unpredictable Chinese government, who initially had no idea how to deal with e-commerce at all.

The book starts off with an introduction about Jack Ma, the founder of Alibaba. When China opened up and foreigners visited China, Jack was curious and started to talk with them. This is how he learned English and visualized how the world beyond China look liked. For another job, Jack was sent to Seattle and one of his friends introduced him to the internet. Jack searched for the word "China" but there were no results. Jack said "This is something interesting, if we can take companies in China and make a homepage for them, this could be something big"! Jack went to China and set up China's first internet company "China pages". It had some success and this is how he got connected to the government helping small business with e-commerce. Jack

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wanted to empower Chinese companies with e-commerce and not control them, like the government wanted. He started Alibaba to do so. The book chronicles the rise of Alibaba, from an apartment building to a company that challenges corporate behemoths E-Bay and Amazon.

The company "Alibaba" has become a story worth knowing about ever since its phenomenal IPO in 2014, gave the world an idea on how truly big this conglomerate is, it was the largest IPO in history – bigger than Google, Facebook and Twitter combined. The book covers most of the key moments in Alibaba's rise in a chronological way, especially the company's competition with E-bay and collaboration with Yahoo! It has been written in a very straightforward manner, devoid of any discolorations, absent of any over-the-top praises. Erisman talks about the strategies that went right for founder Jack Ma and Alibaba and those that failed. Alibaba which is now the world's largest e-commerce company, mostly escaped Western notice for over ten years, while building a customer base more than twice the size of Amazon's, and handling the bulk of e-commerce transactions in China.

The author shares the stories of weathering the dotcom crash and facing down eBay and Google. And he analyzes Alibaba's role as an indication of the new global business landscape—with its focus on the East rather than the West, emerging markets over developed ones, and the dexterous entrepreneur over the industry titan. As we face this near future, the story of Alibaba—and its inevitable descendants—is both essential and instructive. He has described the Alibaba journey from a very high level mostly talking about the differences in Chinese management style and the western management style. There are couples of chapters on the famous eBayvs. Alibaba rivalry. The initial 5-6 chapters are more about the author's own experience and views. The author gives information about the rest of the businesses and websites in the last two chapters, where Alibaba is involved in and the learning's from his overall journey which is really inspiring.

The book is written in an engaging style making it easy to read. "Today is tough. Tomorrow is tougher. The day after tomorrow is beautiful. But most people die tomorrow night and don't get the chance to see the sun rise the day after tomorrow." This quote characterizes a former English school teacher turned entrepreneur - Jack Ma's simple yet powerful philosophy - Optimism. Porter Erisman gives us an insider glimpse of how a startup called Alibaba grew in 15 years, from Zero to a \$220 billion company, changing, rather creating the Chinese ecommerce market. Key management takeaways include the importance of cultural context in deciding business strategy, the importance of long term and visionary thinking, an insight into the tactical operations

- clean and dirty- that are a part and parcel of corporate battles and the tightrope walk it takes to navigate a tricky political and bureaucratic landscape in emerging markets. One of the notable feature of the book is "the forty points" or suggestions which the author donates to the reader. Jack Ma has created a remarkable company in a short span of time. He is one of the most under rated global entrepreneurs today. An English teacher, who says that he cannot understand computers must have had a great native intelligence to have created such a formidable company that successfully shut down its competitor eBay in China, got into the big league after acquiring Yahoo of China and now one the way to becoming the most valuable company in the world.

The author concludes the book with forty life lessons, categorized into different categories that he had learnt during his stint with Alibaba, a few of them are illustrated below:

- Dream Big - Really Big
- Never underestimate yourself or your competitors
- Build a Company to last 102 years (at least)
- Focus on the customer and the rest will follow
- Don't change Rabbits
- Free is, sometimes a business model
- Buy an umbrella when it is not raining
- Resist the temptation to go public
- Have the team work for the goal, not for the boss
- Gather the entire team once a year
- Honour and respect the work of people who came before you
- Move first, ask for forgiveness later
- Love the government but don't marry it and,
- The most important Guanxi is with your customer

Porter Erisman is of the opinion that if people are working in the right conditions, ordinary people with no special backgrounds can go on to create great things. The author gives a good account of the culture of the company. All about Alibaba's history and Jack Ma's vision, ambition and confidence. All the up's and down's of the company have also been portrayed as it is. Porter has presented all the facts and figures in a very sequential manner. The slogans of most internet tycoons suggest the clean lines and aggressive culture of Silicon Valley: "move fast and break things", says Zuckerberg; "organize the world's information" say Page and Brin. But "run as fast as a rabbit but be as patient as a turtle" is different. It's the advice of an entrepreneur who is indisputably in the same league as the founders of Facebook and Google, though not as well-known as them outside of China.

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